

CA1

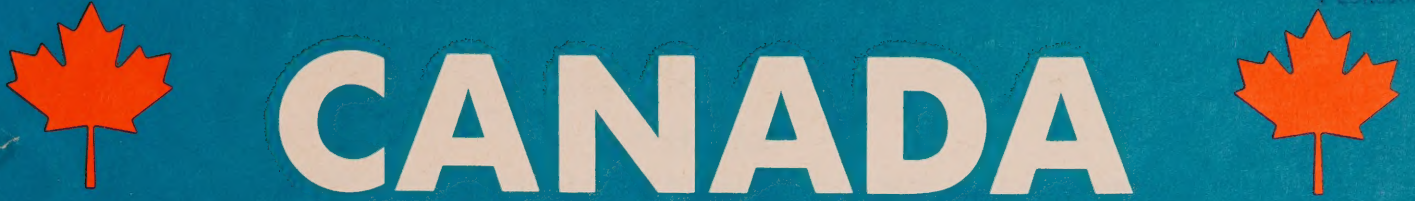
MI 9

-70 A11



3 1761 11767330 1

Canada. Accommodation



CANADA

A SERIES OF FACT SHEETS ON CANADA

DEPARTMENT OF MANPOWER AND IMMIGRATION
OTTAWA, CANADA

0A1
H1 9
-70 A11

June 1970

Although the information contained herein was current at the time of publication, it should be noted that statistical information tends to become outdated. Revision of publications is a regular feature in the series; however, this Department cannot assume responsibility for data that may be changed between publications.

ACCOMMODATION

Canadian standards of housing are comparable to those in any part of the world. A recent study by the Canadian government showed that Canadian housing ranks second only to the United States in the provision of basic equipment such as baths and flush toilets, and its average of 5.3 rooms per dwelling makes it the "roomiest" in the western world. Canada's ratio of 63 per cent owner-occupied dwellings compares favourably with a rate of 62 per cent in the United States. And at 0.7 persons per room, Canadian housing shares with the United States the lowest density ratio among the industrialized nations.

The availability of housing in Canada has recently become a matter of concern. A study by the federal government showed there is a scarcity of housing at prices most Canadians can afford to pay. This arises in part from the fact that more than three-fifths of Canada's 5.2 million dwelling units are single, detached houses; Canadians place great importance on space and privacy in housing. More than 97 per cent of new single detached dwelling units completed in 1968 had three or more bedrooms.

Purchasing a House

The housing problem has been brought about by the rapid increase in the cost of home ownership in the last few years and the shortage of funds for construction. Between the end of 1966 and February, 1969, home ownership costs rose 23.3 per cent. Table A shows the average percentage rise in prices since 1961, broken down into various components of home ownership costs, as compared with the average rise in home rental costs over the same period. Costs involved in actual household operation are not reflected.

TABLE A

Percentage Increase in Home Rental and Home Ownership Costs. 1961-69

	1961	1966	Feb. 1969
Home Rental Costs	100%	103.6%	114.5%
Home Ownership Costs	100	120.1	143.4
Property Taxes	100	119.2	138.2
Mortgage Interest	100	119.7	149.3
Repairs	100	115.9	133.9
New Houses	100	122.8	146.8
Personal Property Insurance	100	125.3	149.1

SOURCE: Dominion Bureau of Statistics, *Prices and Price Indexes* (February 1969)

It has thus become increasingly difficult for "average" wage earners to buy their own homes. The average family income of owners of *new* houses financed under the National Housing Act in 1969 was Canadian \$9,983. This was 24 per cent above the estimated *average* income of \$8,056 for all non-farm families, or more than 33 per cent above the 1968 non-farm family *median* income of \$7,287. Since well-qualified immigrants might expect to find themselves in the middle third of family income groups, it follows that most will experience difficulty in buying their own homes. The greatest single barrier to home ownership is the high down payment required; this may be more than 20 per cent of the purchase price. The tables below give some indication of average housing costs during 1968.

TABLE B

Average Purchasing Costs for Housing, 1968

	Cost in Can. \$	Remarks
Average dwelling	\$ 20,270	
Average down payment	\$ 4,547	Includes secondary financing, that is, second mortgages, which may be available through private loan agencies at 12 to 15% interest per annum.
Average first mortgage loan insurance fee	\$ 323	Government backed loans may be available up to \$25,000 repayable over a 25 to 35 year period, at an average interest rate of 9.01% as of the end of May 1969. Certain conditions are imposed on applicants for new home loans.

Caution: There will normally be other costs involved in purchasing a home; for example, legal fees. The cost of transportation between home and place of work should also be considered. Purchase costs in different parts of Canada may vary widely from the national average.

SOURCE: *Canadian Housing Statistics* (1968)

TABLE C

Breakdown of Income used in Meeting Mortgage Debt Payments

Average Monthly Payments

Principal & Interest (P & I)	Can. \$ 127.55 per month
Taxes	Can. \$ 30.97 per month
Total	Can. \$ 158.52 per month

	per Year	per Month	Average Monthly Payment as % of Monthly Income		
			P & I	Taxes	Total
Average Family Income	\$ 8,056	\$ 671.33	19	4.6	23.6
Average Borrower Family Income	9,983	831.92	15.3	3.7	19

SOURCE: *Canadian Housing Statistics*

Renting a Home

The high cost of purchasing a home has inevitably driven up rental rates. Construction of new housing units — both houses and apartments — has actually been proceeding rapidly in Canada. Housing starts, that is, the start of construction on dwelling units across Canada for the first five months of 1969, showed an average gain of 28.3 per cent over the same period in 1968, but construction has not yet caught up to demand in many large metropolitan areas. Table A shows how tenant costs, while relatively stable between 1961 and 1966, rose in the last three years, reflecting the increase in rental demand which paralleled the steep rise in home ownership costs. Generally, apartments are more readily available only in the higher price brackets, where restrictions on children and pets are also more prevalent.

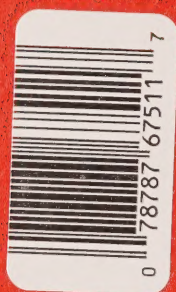
Because of this, families unable to make a down payment or meet monthly payments on their own home must occupy rented apartments or houses; their rental cost is frequently beyond 27 per cent of their income — the level generally considered acceptable as a housing cost in Canada. Table D, which is based on information compiled by the Department of Manpower and Immigration, indicates rental prices in selected Canadian cities.

TABLE D
Rental Accommodation by Selected Cities

Selected City	Unfurnished Apartments			Furnished Apartments			Houses for Rent		
	Size (notes 2 & 3)	Avail-ability (note 1)	Price Range (Can. \$)	Size (notes 2 & 3)	Avail-ability (note 1)	Price Range (Can. \$)	Size (notes 2 & 3)	Avail-ability (note 1)	Price Range (Can. \$)
HALIFAX	1 bdr.	poor	\$120 - 145	1 bdr.	poor	\$135 - 170	—	poor	\$160 - 220
	2 bdr.	limited	90 - 110	—	limited	85 - 120	—	poor	125 - 175
MONTREAL (core)	2 bdr.	poor	140 - 180	2 bdr.	poor	165 - 200	—	—	—
	—	limited	100 - 125	—	limited	100 - 135	—	—	—
TORONTO (core)	2½ - 4½	good	\$125 - 400	1½ - 3 bdr.	very poor	\$100 - 250	3 - 5 bdr.	good	\$ 90 - 225
	—	limited	\$145 - 200	—	limited	\$105 - 145	—	very poor	—
WINNIPEG	1 - 2 bdr.	fair	\$ 75 - 250	1 - 2 bdr.	limited	\$ 80 - 175	—	limited	\$100 - 150
	bachelor to 1 bdr.	limited	\$ 75 - 120	—	limited	unfurnished rate plus \$25 (utilities usually extra)	2 - 4 bdr.	poor	\$125 - 300 (average \$165)
EDMONTON	2 or more bdr.	limited	125 - 150	—	—	—	—	—	—
	—	—	155 - 275	—	—	—	—	—	—
VANCOUVER	1 bdr.	good	\$100 - 145	—	very poor	\$150 - 225	2 bdr.	fair	\$150 - 225
	2 bdr.	limited	155 - 250	—	poor	100 - 225	—	—	130 - 150
VANCOUVER	3 bdr.	poor	250 - 325	—	—	—	3 bdr.	—	200 - 275
	1 - 3 bdr.	poor	90 - 175	—	—	—	—	—	—

NOTES: 1. availability range: very good — good — fair — limited — poor — very poor — nil
 2. bachelor: apartment with bathroom, kitchen and bed-sitting room
 3. bdr.: apartment with bathroom, kitchen, living room, dining area and bedrooms as indicated

SOURCE: Canada, Department of Manpower and Immigration, *Canada Housing Report* (situation as of March, 1970)



Oxford
ESSELTE 10%
MADE IN U.S.A.